

LONG-TERM DISABILITY AND SURVIVOR BENEFIT PLAN

Presented By:
Tammy Usher
(213) 738-2143



County of Los Angeles
Chief Executive Office
Risk Management Branch

"To Enrich Lives Through Effective and Caring Service"

Long-Term Disability

- The County of Los Angeles (County) established the Long-Term Disability (LTD) Plan which offers a monthly income replacement if the employee becomes disabled and unable to work beyond a six-month waiting period.

Long-Term Disability

- An eligible County employee must be a General Member of Retirement Plan A, B, C, D, E, or G of the County of Los Angeles Employees Retirement Association (LACERA).

Authority, Eligibility & Benefit

Non-MegaFlex

Choices, Options and Flex

(excluding Safety Retirement members)

- The Non-MegaFlex LTD Plan is governed by section 5.38 of the County Code.
- An employee must have five years of continuous County service or have an admitted County worker's compensation claim.
- An employee is offered LTD benefits at 60% of their average basic monthly compensation (for the 12 months prior to the qualifying disability).

Authority, Eligibility & Benefit

MegaFlex

Non-Represented and certain Management level Safety Classification Employees

- The MegaFlex LTD Plan is governed by sections 5.27 and 5.28 of the County Code.
- Before the qualifying disability begins, a MegaFlex employee must purchase LTD benefits at 40% or 60% of their average basic monthly compensation for the 12 months prior to the qualifying disability.
- A MegaFlex employee in Retirement Plan E with five years of continuous County service or an admitted County worker's compensation claim qualify for a 40% LTD core benefit.

LTD Eligibility

- To be eligible for LTD benefits, an employee must be disabled for six months or more with the qualifying disability approved by the County's third-party administrator, Sedgwick CMS (Sedgwick).
- During the six month waiting period there are no LTD benefits paid.
- The waiting period is not extended if the employee attempts to return to work for a total of 29 days or less. If the employee returns to work for 30 days or more, the six month waiting period will have to start over.

LTD Application Process

- An employee absent from work for more than four months, may inquire for an LTD application from Sedgwick, any time, at 1-800-786-8600.
- Note: Departments can call to have an application sent to an employee.

LTD Application Process

- An employee must complete the “Employee’s Statement of Claim” form, and their physician must complete the “Attending Physician’s Statement” form.
- The completed LTD application forms must be returned to Sedgwick within one year from the start of disability.

Late Filing Penalty

- A penalty is assessed for each day the claim is filed late.

Example: If the claim was filed one year and 147 days after the first day of disability, then 147 days are added to the six month waiting period. (Reminder: An LTD application must be completed & received by Sedgwick within one year from the first day of disability.)

- There will be no benefit payable if the LTD application is not received within 30 months from the first day of the approved disability.

LTD Application Process

- To complete the application process, an employee must also apply for Social Security Disability (SSD) benefits under the Federal Social Security Act (FSSA) within 30 days of filing an LTD application for benefits.
- The LTD Plan requires an employee to provide Sedgwick with proof of their application for SSD benefits under the FSSA, regardless of whether or not they were found eligible to receive FSSA benefits.

Duration of LTD Benefits

- The first 24 months of benefit eligibility, an employee must be disabled and unable to perform the duties of their County position.
- After 24 months of eligibility, an employee must be deemed totally disabled and unable to perform the duties of any occupation according to SSD guidelines.

Paid Time & Compensation vs. LTD Benefits

- The amount of any salary or other compensation, including sick leave, vacation, annual leave, and other time the employee receives from the county, will be substituted on a day-for-day basis, resulting in one day's loss of LTD benefits for each day of substituted time.
- Fifty percent of a salary, compensation or income the employee receives from any other employer, or otherwise earns, will also be offset from the LTD Benefit.

Other Disability Benefits vs. LTD Benefits

- If an employee is entitled to other income replacement benefits as a result of their disability, i.e. worker's compensation benefits, their LTD benefit will be reduced dollar for dollar with these other benefits.

Partial Return-To-Work vs. LTD Benefits

- Together, the doctor, the department, and Sedgwick may approve a partial return-to-work where 70% of any salary, compensation, or income earned will be subtracted from the LTD monthly benefit.
- Note: An employee on LTD should not be allowed to use paid leave or donated leave on a once-a-month frequency to maintain health care contributions or other cafeteria benefits.

Appeals

- Appeals for any denial, ending, or cancellation of LTD must be received by Sedgwick within 60 calendar days of the claim decision.
- If an appeal is denied, the employee will have another 60 days to notify Sedgwick of their request for an LTD Hearing. However, once this appeal is received, the CEO will determine if a Hearing can be presented per county code guidelines.

Long-Term Disability Health (LTDH) Eligibility & Benefit

- To participate in the LTDH Plan, an employee must be a “participant” of an applicable Cafeteria Plan. An employee must also be enrolled and have maintained premiums in a County-sponsored medical plan prior to approval for LTD Benefits, to participate in the LTDH Plan.
- The LTDH program is provided by the Department of Human Resources (DHR), Employee Benefits Division. Please contact DHR directly at (213) 388-9982 if you have questions about LTDH.

Survivor Benefit & Eligibility

Non-MegaFlex

Choices, Options and Flex (excluding Safety Retirement members)

- The Survivor Benefit Plan provides an eligible survivor with an income replacement benefit in the event of an employee's death.
- Survivors of Non-MegaFlex deceased employees who had at least five years of County Service and/or were eligible for LTD benefits, qualify for Survivor Benefits (SB). For the life of the surviving spouse or domestic partner, SB pays 55% of the 60% LTD benefit, whether or not the employee was receiving LTD on the date of death. If there is no surviving spouse, the benefits will be paid to the surviving child(ren) until they reach age 18.
- More information about coverage may be found in the Summary Plan Description from the Department of Human Resources, Employee Benefits Division.

Other Resources

- Additional LTD information is available on the County Medical Provider Network website at:
http://ceo.lacounty.gov/rtw/rtw_default.htm

- At the website you will find:

Long Term Disability

- The LTD Booklet
- The LTD Pamphlet

Third-Party Administrator

- Contact Sedgwick @: (800) 786-8600
Fax: (818) 591-7644

Sedgwick CMS

PO Box 9830

Calabasas, CA. 91372-0830

